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Attorney Docket No. IHG-001.01

**REMARKS**

By the foregoing amendments, Applicants have removed the hyperlinks appearing on line 18 of specification page 1, as the Examiner requested. Further, Applicants have revised independent claims 45 and 64 to recite more clearly that a first buyer agent may receive information about other agents' bids for a network resource and that a timely bid generated in response can affect how the network resource is allocated. The specification provides support for this feature at, for example, lines 3-14 of page 10.

Additionally, Applicants have revised claims 46, 48-49, 59-63, and 65-66 to make them consistent with the "first buyer agent" language now in independent claims 45 and 64, and they have added new claim 67, which depends on independent claim 45. They have further added new claims 68-71, which are directed to an allocation method in which a network resource may be divided among more than one buyer agent. Support for the subject matter defined by new claims 68-71 can be found, for example, on pages 8-9 and in lines 19-20 of page 4. After these amendments, claims 45-71 are pending in the application.

The Examiner has rejected claims 45-55, 57-59, and 62-66 as defining subject matter anticipated by the system described in U.S. Patent No. 6,285,987 to Roth. Applicants respectfully request that the Examiner reconsider this rejection.

Applicants invented an interactive resource-allocation system based on an electronic auction mechanism. A resource agent executed by a computer system receives bids from one or more buyer agents competing for a network resource (lines 19-20 of page 4). The

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buyer agents' initial bids may depend on various strategy rules (i.e., the bidding strategies to use against other agents with respect to particular resources), resource-valuation rules, and/or the global-allocation criteria that the resource agent may use (lines 3-25 of page 6). Once the initial bids are received, Applicants' system in at least some cases sends the bidding agents information regarding bids received from other agents. It thereby enables the bidding agents to re-evaluate their initial bids and decide whether to resubmit bids for the network resource before the auction closes and the resource is allocated (page 10, lines 3-14). By enabling bidding agents to take into account other agents' bids and submit new bids in response, Applicants' interactive system enables bidding agents to craft and submit bids that closely reflect current system resource requirements, changing network conditions, and resource availability. As amended, independent claims 45 and 64 define this concept.

Now, electronic auction systems for allocating resources are known in the art. For example, Roth describes a system in which bidding agents submit bids for placing an advertisement on a person's web browser. But nowhere does Roth disclose or suggest an interactive system in which bidding agents receive information about other bidders' bids. Rather, bidding agents evaluate a particular viewing opportunity (i.e., the opportunity to place an advertisement on a person's web server) and determine whether and how much to bid on that opportunity (lines 7-15 of col. 4 and lines 33-40 of col. 6). To evaluate viewing opportunities, bidding agents receive information about the user and the characteristics of the user's web-server, information regarding the available budget for the advertiser associated with the bidding agents, and other archival data (col. 10's line 31 to col. 11's line

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46). At no place, though, does Roth indicate that bidding agents receive information regarding other agents' bids.

And nowhere does Roth disclose that bidding agents can submit new bids, whether in response to information about other agents' bids or otherwise. Instead, once a viewing opportunity has been evaluated, participating bidding agents submit their bids to a bid-selection-logic apparatus, which then identifies and selects the highest bid (col. 5's lines 32-37, and col. 6's lines 38-40). The bid-selection-logic apparatus does not perform further processing, such as transmitting information to the bidding agents. So it does not give bidding agents an opportunity to resubmit bids. Therefore, Roth does not disclose or suggest the subject matter of Applicants' claims 45 and 64. These claims and the claims that depend on them are therefore patentable over the prior art of record.

Although the Examiner suggested with respect to the features of claims 60 and 61 that the teaching of e-Bay's e-mail notification system could be combined with Roth, such a combination is inappropriate. As MPEP 2143.01 explains, "If the proposed modification or combination of the prior art would change the principle of operation of the prior art invention being modified, then the teachings of the references are not sufficient to render the claims *prima facie* obvious." Further, MPEP 2143.01 also states, "if the proposed modification would render the prior art invention being modified unsatisfactory for its intended purpose, then there is no suggestion or motivation to make the proposed modification." The e-Bay e-mail notification system sends e-mail notifications to live users, not to automatic electronic apparatus. The users may then decide, over typical time frames

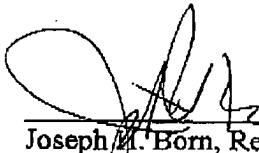
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of several minutes, whether to resubmit bids. By contrast, Roth's automated bidding agents are intended to process and execute a large volume of bidding contests quickly; they have to evaluate and submit bids within microseconds (col. 5's lines 46-49). Combining the slow, human-based e-Bay notification mechanism with Roth would completely undermine Roth's automated fast, high-volume electronic bidding system; it would wholly change Roth's principle of operation and/or make it completely unsatisfactory for its intended purpose.

So nothing in the prior art that the examiner has cited suggests combining the eBay arrangement with Roth in such a manner as to result in the subject matter of claim 45 or 64. Applicants therefore ask that the Examiner reconsider those claims and allow them, all claims that depend on them, and newly submitted claims 68-71.

Respectfully submitted,

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